CLAIMS

What is claimed is:

1 A method for automatically verifying a signature during a retail payment transaction, the method comprising the steps of:

(a) obtaining an electronic signature of a cardholder;

(b) using an electronic signature verification process to automatically verify the electronic signature; and

(c) requiring a point-of-sale (POS) operator to manually verify the electronic signature when an exception occurs during the electronic signature verification.

2 The method of claim 1 wherein step (b) further includes the step of: comparing the electronic signature to a digital signature stored in signature database under an account of the cardholder using a signature verification algorithm.

3 The method of claim 2 wherein step (b) further includes the step of: searching the signature database by account number to determine if an account of the cardholder has a corresponding digital signature on file.

4 The method of claim 3 wherein step (b) further includes the step of: if the signatures match, verifying the electronic signature and completing the transaction.

5 The method of claim 4 wherein step (c) further includes the step of: determining an exception occurs when a digital signature is not found in the signature database.

6 The method of claim 5 wherein step (c) further includes the step of: determining an exception occurs when the automatic signature verification fails.

7 The method of claim 2 wherein step (c) further includes the step of: if the POS operator verifies the signatures, adding the electronic signature to the signature database, thereby automatically building the signature database.

8 The method of claim 7 wherein step (c) further includes the step of: if the POS operator does not verify the electronic signature, then canceling the transaction.

9 The method of claim 1 wherein step (a) further includes the step of: obtaining the electronic signature of a cardholder after the credit card has been authorized.

10 An automatic signature verification system, comprising:

a card reader for reading data from a credit card;

a signature capture device for capturing an electronic signature from a card holder during a retail transaction;

a point-of-sale (POS) terminal coupled to the card reader and the signature capture device for transmitting the data to a credit host for account authorization; and

a signature database for storing digitally captured signatures in association with account numbers;

wherein once the credit host authorizes the account, an automatic signature verification process is performed in which the electronic signature is compared to a digital signature stored in the signature database in association with the account of the card, and wherein, if the automatic signature verification fails, an operator of the POS terminal is prompted to manually verify the electronic signature with signature on the credit card.

11 The system of claim 10 wherein a signature verification algorithm compares the electronic signature to a digital signature.

12 The system of claim 11 wherein if the signatures match the automatic signature verification process verifies the electronic signature and the transaction is completed.

13 The system of claim 12 wherein the operator is prompted to manually verify the signatures when the digital signature is not found in the signature database.

14 The system of claim 13 wherein if the POS operator verifies the signatures, then the electronic signature is added to the signature database, thereby automatically building the signature database.

15 The system of claim 14 wherein if the POS operator does not verify the electronic signature, then the transaction is cancelled.

16 A computer-readable medium containing program instructions for automatically verifying a signature during a retail payment transaction, the program instructions for:

    (a)   obtaining an electronic signature of a cardholder;

    (b)   using an electronic signature verification process to automatically verify the electronic signature; and

    (c)   requiring a point-of-sale (POS) operator to manually verify the electronic signature when an exception occurs during the electronic signature verification.

17 The computer-readable medium of claim 16 wherein instruction (b) further includes the instruction of: comparing the electronic signature to a digital

signature stored in signature database under an account of the cardholder using a signature verification algorithm.

18 The computer-readable medium of claim 17 wherein instruction (b) further includes the instruction of: searching the signature database by account number to determine if an account of the cardholder has a corresponding digital signature on file.

19 The computer-readable medium of claim 18 wherein instruction (b) further includes the instruction of: if the signatures match, verifying the electronic signature and completing the transaction.

20 The computer-readable medium of claim 19 wherein instruction (c) further includes the instruction of: determining an exception occurs when a digital signature is not found in the signature database.

21 The computer-readable medium of claim 20 wherein instruction (c) further includes the instruction of: determining an exception occurs when the automatic signature verification fails.

22 The computer-readable medium of claim 17 wherein instruction (c) further includes the instruction of: if the POS operator verifies the signatures, then

adding the electronic signature to the signature database, thereby automatically

building the signature database.

23 The computer-readable medium of claim 22 wherein instruction (c) further

includes the instruction of: if the POS operator does not verify the electronic

signature, then canceling the transaction.

24 The computer-readable medium of claim 16 wherein instruction (a) further

includes the instruction of: obtaining the electronic signature of a cardholder after

the credit card has been authorized.

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